

## **PUBLIC DISCLOSURE**

February 21, 2006

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**HOLBROOK COOPERATIVE BANK**

**95 NORTH FRANKLIN STREET  
HOLBROOK, MA 02343**

**DIVISION OF BANKS  
ONE SOUTH STATION  
BOSTON, MA 02110**

<p><b>NOTE:</b> This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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## GENERAL INFORMATION

The Community Reinvestment Act ("CRA") requires the Massachusetts Division of Banks ("Division") to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its assessment area.

This document is an evaluation of the CRA performance of **HOLBROOK CO-OPERATIVE BANK (or the "Bank")** prepared by the Division, the institution's supervisory agency.

**INSTITUTION'S CRA RATING: This institution is rated "Satisfactory".**

Holbrook Co-operative Bank's overall CRA rating is based upon its performance under the five criteria contained herein. The following is a summary of the findings that were utilized in formulating Holbrook Co-operative Bank's overall CRA rating.

### **- Loan to Deposit Analysis**

A reasonable level of net loan to deposit ratios over an eight quarter period.

### **- Comparison Of Credit Extended Inside And Outside Of The Assessment Area**

A majority of its residential mortgage lending inside its assessment area.

### **- Distribution of Credit among Different Income Levels**

A reasonable distribution of residential mortgage lending to individuals of low and moderate-income, given the demographics of the Bank's assessment area.

### **- Geographic Distribution of Loans**

A satisfactory penetration of residential mortgage lending to the low and moderate-income census tracts in the Bank's assessment area.

### **- Review of Complaints/Fair Lending Policies and Practices**

Fair lending policies and practices are considered reasonable. No complaints have been received by the Bank since the prior examination.

## **PERFORMANCE CONTEXT**

### **Description of Institution**

Holbrook Co-operative Bank was founded in 1888, as a mutually owned, state chartered institution with one office headquartered in Holbrook, Massachusetts. The Bank maintains an Automated Teller Machine ("ATM") at its main office with additional access to NYCE and Cirrus networks. Banking hours are considered convenient and accessible to the Bank's customers.

As of the December 31, 2005 Federal Deposit Insurance Corporation's ("FDIC") Quarterly Call Report, the Bank had total assets of \$94,533,000. Of these total assets, \$76,614,000 or 81 percent were in the form of net loans. The majority of the Bank's loans, 55.9 percent, were commercial loans. Refer to the following table for a breakdown of the loan portfolio composition.

<b>Holbrook Cooperative Bank's Loan Portfolio as of December 31, 2005</b>	
<b>Type of Loans</b>	<b>% of Total Loans</b>
Construction & Land Development	6.4
Secured by Farm Land	0
Residential Real Estate	
a. 1-4 Family Mortgages	32.4
b. Home Equity Lines (includes second mortgages)	3.2
Multifamily	1.3
Commercial Loans	
a. Commercial Real Estate	42.7
b. Commercial & Industrial Loans	13.2
Consumer Loans (includes single payment, installment, and student loans)	.8
<b>Total Loans</b>	<b>100.0</b>

Source: FDIC Call Report, 12/31/05

Holbrook Co-operative Bank shifted its focus away from residential lending to commercial lending in February 2004. The Bank has cultivated a niche within the local market by catering to small and medium size businesses. The Bank made 77 small business loans in 2004 and 48 small business loans in 2005. Holbrook Co-operative Bank plans to continue in this direction and has applied to the Small Business Administration to become an approved lender. The Bank does not currently offer any fixed rate mortgage products and most residential products have an 80 percent loan-to-value requirement. This makes it difficult for the Bank to compete in the residential mortgage market with lenders that offer a variety of products with flexible underwriting standards.

## **PERFORMANCE CONTEXT (CONTINUED)**

Holbrook Co-operative Bank operates in a competitive market. Local competitors include Avon Co-operative Bank, Crescent Credit Union, HarborOne Credit Union and Citizens Bank, as well as a number of national banks and mortgage companies.

There appears to be no legal or regulatory impediments that would affect Holbrook Co-operative Bank in meeting the needs of its assessment area. The FDIC conducted the previous CRA evaluation as of December 31, 2003. That examination resulted in a "Satisfactory" rating. The Division last conducted a CRA evaluation was as of May 1, 2000. That examination also resulted in a "Satisfactory" rating.

A community contact was conducted with a local community development office. The office mainly offers assistance to low income, elderly and disabled residents. However, the contact discussed a greater need for economic development and more local businesses to generate tax revenue within the area.

### **Description of Assessment Area**

The Town of Holbrook is a community of approximately 11,000 people, located south of Boston. Originally part of Randolph and Braintree, Holbrook has 7.32 square miles within its boundaries.<sup>1</sup> Holbrook Co-operative Bank's assessment area consists of the Plymouth County towns of Abington, Hingham, Norwell and Rockland, and the Norfolk County towns of Avon, Quincy, Braintree, Randolph, Canton, Stoughton, Holbrook and Weymouth. The assessment area is located within the Boston-Quincy Metropolitan District ("MD"). The defined assessment area appears to meet all technical requirements of the regulation and does not arbitrarily exclude low and moderate-income areas.

The Bank's assessment area is comprised of 65 census tracts. There is 1 low-income tract, 2 moderate-income tracts, 46 middle-income tracts and 16 upper-income census tracts. The median-family income for the Boston-Quincy MD was \$75,300 in 2004 and \$76,400 in 2005.

Census demographic information for 2000 obtained from CRA WIZ indicates that the Bank's assessment area contains a total population of 331,878 individuals. There are 134,399 housing units within the assessment area of which 65.2 percent are owner-occupied, 32.4 percent are rental occupied and 2.5 percent are vacant housing units. The housing stock is comprised primarily of one- to – four family dwellings which make up 76.3 percent of the total housing units. In addition, households living below the poverty level represent only 6.1 percent of total households compared to 10 percent for the Commonwealth of Massachusetts.

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<sup>1</sup> Town information provided by Massachusetts Department of Housing and Community Development.

## **PERFORMANCE CONTEXT (CONTINUED)**

The following table provides demographic and economic information pertaining to the Bank's assessment area.

<b>Selected Housing Characteristics by Income Category of the Geography</b>							
<b>Geographic Income Category</b>	<b>Percentage</b>						<b>Median Home Value</b>
	<b>Census Tracts</b>	<b>House- holds</b>	<b>Housing Units</b>	<b>Owner- Occupied</b>	<b>Rental Units</b>	<b>Vacant Units</b>	
<b>Low</b>	1.5	1.0	1.0	.4	2.0	1.8	152,900
<b>Moderate</b>	3.1	3.6	3.7	2.6	6.0	3.5	159,115
<b>Middle</b>	70.8	75.0	74.9	71.0	82.8	73.9	176,851
<b>Upper</b>	24.6	20.4	20.4	26.0	9.2	20.8	272,823
<b>Total of Median</b>	100.0	100.0	100.0	100.0	100.0	100.0	202,986

Source: 2000 U.S. Census

### **Description of Aggregate Data Utilized/Lending Activity**

Aggregate data, for residential mortgage lending performance purposes only, constitutes (both large and small) mortgage companies, savings banks, commercial banks, co-operative banks, and credit unions, which have originated and/or purchased at least one residential mortgage and/or home improvement loan within the Bank's assessment area (source: PCI Services, Inc., CRA Wiz). There are 438 such lenders within the Bank's assessment area and the total number of originations/purchases was 26,983 in calendar year 2004.

## **PERFORMANCE CRITERIA**

### **1. LOAN TO DEPOSIT ANALYSIS**

Holbrook Co-operative Bank's net loan to total deposit ratio appears to be reasonable and, as such, is rated "Meets Standards for Satisfactory Performance."

An analysis of the Bank's loan to deposit ratio was performed. The calculation incorporated eight quarters of the Bank's net loans to total deposit figures as reflected in the Bank's quarterly FDIC Call Reports. The quarters reviewed included the periods from March 2004 through December 2005. This ratio has steadily risen from a low of 51.7 percent in March 2004, to a high of 89.9 percent in September 2005. The Bank's net loan to total deposit ratio averaged 77.5 percent. The loan to deposit ratio is considered reasonable given the institution's asset size and its capacity to lend. Refer to the following.

<b>Holbrook Cooperative Bank's Loan to Deposit Ratios</b>	
<b>Dates</b>	<b>Ratio (%)</b>
March 31, 2004	51.7
June 30, 2004	62.2
September 30, 2004	72.6
December 31, 2004	82.8
March 31, 2005	84.5
June 30, 2005	88.1
September 30, 2005	89.9
December 31, 2005	87.8

Source: FDIC Call Reports

Over the period reflected in the table, the Bank's lending activity has outpaced its deposit growth. Holbrook Co-operative Bank's net loan portfolio increased by 124.2 percent and deposits grew by 31.9 percent. This increase can be attributed to the Bank's efforts to build its commercial lending base. From December 31, 2004 through December 31, 2005, the Bank's loan portfolio increased by 18.5 percent, while deposits grew by 11.7 percent. It should be noted that Holbrook Co-operative Bank did not sell its residential mortgage loans to secondary market investors during the period under review.

A comparison of Holbrook Co-operative Bank's loan to deposit ratio to that of a representative selection of area financial institutions was also performed. As of December 31, 2005 (latest data available), Holbrook Co-operative Bank had total assets of \$94,533,000 and a net loan to deposit ratio of 87.8 percent. Those institutions chosen for this analysis either have a main office or branch location in the Bank's assessment area or, based upon FDIC Call Report Data, are of similar size and capacity. The data presented in the following table is as of December 31, 2005.

<b>COMPARATIVE NET LOAN TO TOTAL DEPOSIT RATIOS</b>		
<b>Institution</b>	<b>Total Assets \$(000)</b>	<b>Net Loan to Total Deposit Ratios (%)</b>
Avon Cooperative Bank	58,545	51.0
Stoughton Cooperative Bank	74,762	76.6
<b>Holbrook Cooperative Bank</b>	<b>94,533</b>	<b>87.8</b>
Pilgrim Cooperative Bank	129,600	88.5

Source: FDIC Call Reports 12/31/05

## **PERFORMANCE CONTEXT (CONTINUED)**

Holbrook Co-operative Bank's loan to deposit ratio is comparable with similarly situated institutions. Holbrook Co-operative Bank has achieved a reasonable loan to deposit level, given its capacity to lend and the credit needs of the assessment area.

### **2. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA (S)**

Holbrook Co-operative Bank has achieved a reasonable level of its Home Mortgage Disclosure Act ("HMDA") reportable lending within its assessment area. Consequently, this criterion is rated "Meets Standards for Satisfactory Performance".

An analysis of HMDA reportable lending extended both inside and outside of the Bank's assessment area for the period under review was performed. The following table illustrates the Bank's level of HMDA reportable lending both inside and outside its assessment area.

Distribution of Home Mortgage Loans Inside and Outside of the Assessment Area												
Year	Inside				Outside				Total			
	Number of Loans		Dollar Volume (000)		Number of Loans		Dollar Volume (000)		Number of Loans		Dollar Volume (000)	
	#	%	\$	%	#	%	\$	%	#	%	\$	%
2004	25	55.6	5,838	48.7	20	44.4	6,149	51.3	45	100.0	11,987	100.0
2005	14	63.6	3,369	52.7	8	36.4	3,028	47.3	22	100.0	6,397	100.0
Total	39	58.2	9,207	50.1	28	41.8	9,177	49.9	67	100.0	18,384	100.0

Source: HMDA LAR 2004-2005.

As indicated, Holbrook Co-operative Bank granted a majority of the number and dollar volume of its residential mortgage lending to those communities within its assessment area. However, the Bank's overall HMDA reportable lending has decreased from 2004 to 2005 as the Bank shifted away from residential lending. For the period reviewed, the overall number of loans decreased by 10.9 percent and the dollar volume declined by 4.1 percent. Despite the decline in overall HMDA reportable lending, the Bank's level of penetration within its assessment area is considered to be reasonable.

### **Small Business Lending**

Holbrook Co-operative Bank originated 125 small business loans totaling \$39,372,100. Due to its size, the Bank is not required to maintain a Small Business Loan Application Register (LAR). The Bank's internal LAR was reviewed and loans that qualified as small business loans as defined by FDIC Call Report Instructions were given consideration during this examination.<sup>2</sup> A sample of 40 loans was taken for analysis. A total of 32 loans totaling \$9.9 million were originated to businesses within the Bank's assessment area, representing 80 percent by number and 72.8 percent by dollar volume. Refer to the following table detailing the distribution of small business loans inside and outside the assessment area.

<sup>2</sup> The FDIC Call Report Instructions define a small business loan as "a loan with an original amount of \$1 million or less that is: secured by non-farm nonresidential properties; or commercial and industrial loans to US addresses."

## PERFORMANCE CONTEXT (CONTINUED)

Distribution of Small Business Loans Inside and Outside of the Assessment Area								
Year	Inside				Outside			
	Number of Loans		Dollar in Loans (000s)		Number of Loans		Dollars in Loans (000s)	
	#	%	\$	%	#	%	\$	%
2004	14	70	4,469	63	6	30	2,629	37
2005	18	90	5,479	83.4	2	10	1,089	16.6
<b>Total</b>	<b>32</b>	<b>80</b>	<b>9,948</b>	<b>72.8</b>	<b>8</b>	<b>20</b>	<b>3,718</b>	<b>27.2</b>

Source: Internal Loan Application Register

Small business lending increased from 2004 to 2005. A majority of the Bank's small business loans were made within their assessment area by both number and dollar amount. The small business loan distribution reflects a good responsiveness to the assessment area's credit needs.

### 3. DISTRIBUTION OF CREDIT AMONG DIFFERENT INCOME LEVELS

Based upon the analysis, Holbrook Co-operative Bank's distribution of its residential mortgage lending within its assessment area to borrowers of low and moderate-incomes is considered to be reasonable. Therefore, "Meets Standards for Satisfactory Performance" rating is assigned to this criterion.

An analysis of HMDA reportable lending extended within the Bank's assessment area, among various income levels for the period under review was performed<sup>3</sup>. For the purposes herein, the period under review for HMDA reportable lending constitutes calendar years 2004 and 2005. A HMDA reportable loan is defined as home purchase loans (including originations, purchases, and refinances) as well as home improvement loans. These loans were categorized by the applicant's reported incomes in 2004 and 2005.

The following table presents the Bank's performance as well as the 2004 aggregate data (exclusive of Holbrook Co-operative Bank) of HMDA reportable lending by number of loans.

Distribution of Home Mortgage Loans by Borrower Income								
Median Family Income Level	% Total Family Households	2004 Aggregate Lending Data (% of #)	2004 Bank Data		2005 Bank Data		Total	
			#	%	#	%	#	%
Low	22.0	4.3	1	4.0	2	14.3	3	7.7
Moderate	17.0	20.0	5	20.0	0	0.0	5	12.8
Middle	20.2	28.6	5	20.0	2	14.3	7	18.0
Upper	40.8	31.8	9	36.0	5	35.7	14	35.9
NA	0.0	15.3	5	20.0	5	35.7	10	25.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>25</b>	<b>100.0</b>	<b>14</b>	<b>100.0</b>	<b>39</b>	<b>100.0</b>

Source: 2000 U.S. Census, HMDA LAR, HMDA Aggregate Data

<sup>3</sup> Low income is defined by the US Census Bureau as income below 50 percent of the median family income level for the MD; moderate income is defined as 50 to 79 percent of the median family income; middle income is defined as income between 80 and 119 percent of the median family income; and upper income is defined as income greater than 120 percent of the median family income. The median family income of the Boston-Quincy MD was \$75,300 in 2004 and \$76,400 in 2005.

## **PERFORMANCE CONTEXT (CONTINUED)**

Holbrook Co-operative Bank's percentage of lending to both low and moderate-income borrowers is comparable to that of the aggregate in 2004. In 2005, the Bank's lending to low-income borrowers increased to 14.3 percent. However, with such a small loan volume minor fluctuations would significantly impact the data. This is reflected in the increased percentage which resulted from one additional loan to low-income borrowers in 2005. The Bank did not make any loans to moderate-income borrowers in 2005, which brings them well below the percent of family households in that category.

By dollar volume in 2004, Holbrook Co-operative Bank originated 2.1 percent of its residential mortgage loans to low-income borrowers, which is comparable to the 2004 aggregate data by dollar volume of 2.3 percent. Lending dollar volume to moderate-income borrowers was 11.4 percent. This is slightly lower than the aggregate's 15.3 percent lending by dollar volume to moderate-income borrowers. By dollar volume in 2005, the Bank originated 3.7 percent of its residential lending to low-income borrowers and made no loans to moderate-income borrowers.

Over the period reviewed Holbrook Cooperative Bank's level of residential mortgage lending is considered reasonable.

### **Small Business Lending**

The sample of small business loans originated within the Bank's assessment area was further analyzed to determine the typical loan amount at origination. The majority of the 32 small business loans originated in the Bank's assessment area, during this time period, had original loan amounts between \$250,000 and \$1,000,000. The following table depicts the distribution of small business loans within the bank's assessment area by loan number at origination.

<b>Distribution of Small Business Loans by Loan Size</b>						
<b>Loan Size (000s)</b>	<b>2004</b>		<b>2005</b>		<b>Total</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
<b>&lt; \$100</b>	1	7.2	1	5.5	2	6.3
<b>\$100 - \$250</b>	5	35.7	7	38.9	12	37.5
<b>&gt; \$250 - \$1,000</b>	8	57.1	10	55.6	18	56.2
<b>Total</b>	<b>14</b>	<b>100.0%</b>	<b>18</b>	<b>100.0%</b>	<b>32</b>	<b>100.0%</b>

Source: Internal Loan Application Register

By dollar amount, 9.4 percent of the loans had amounts less than or equal to \$100,000 and 34.4 percent had loan amounts between \$100,000 and \$250,000. The remaining 56.2 percent had loan amounts greater than \$250,000.

Small business loans originated within the Bank's assessment area, during this period, were also analyzed to determine the distribution among businesses of various sizes. The majority of small business loans originated during this period was granted to small businesses, whose annual revenues were \$1 million or greater. The following tables depict the distribution of small business loans within the Bank's assessment area by revenues of the business.

## **PERFORMANCE CONTEXT (CONTINUED)**

<b>Distribution of Small Business Loans by Gross Annual Revenues of Business</b>						
<b>Gross Annual Revenues (000s)</b>	<b>2004</b>		<b>2005</b>		<b>Total</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
<= \$1,000	0	0.0	0	0.0	0	0.0
> \$1,000	14	100.0	16	88.9	30	93.8
NA	0	0.0	2	11.1	2	6.2
<b>Total</b>	<b>14</b>	<b>100.0%</b>	<b>18</b>	<b>100.0%</b>	<b>32</b>	<b>100.0%</b>

Source: Internal Loan Application Register

Holbrook Co-operative Bank's dispersion of loans among individuals of different income levels and businesses of various sizes appears reasonable.

### **4. GEOGRAPHIC DISTRIBUTION OF LOANS**

The following analysis indicates that Holbrook Co-operative Bank appears to have achieved a satisfactory penetration of its HMDA reportable lending to the low- and moderate-income census tracts within its assessment area. Therefore, a rating of "Meets Standards for Satisfactory Performance", is assigned to this criterion.

Based on 2000 census data, Holbrook Co-operative Bank's assessment area contains 65 census tracts. Of those tracts, one or 1.5 percent is a low-income tract and two or 3.1 percent are moderate-income tracts. As demonstrated in the table below, there are only a small number of owner-occupied units within these tracts. Less than 1 percent of the assessment area's owner-occupied units are located in the low-income tract and only 2.5 percent are located in the moderate-income tracts. Consequently, there is little opportunity to lend within these tracts. This is compounded by the level of competition within the assessment area.

A review of HMDA reportable lending extended within the various census tracts contained within Holbrook Co-operative Bank's assessment area was conducted. The following table presents the Bank's performance as well as the 2004 aggregate data (exclusive of Holbrook Co-operative Bank) of HMDA reportable lending by percentage. In addition, the table also reflects the percentage of owner-occupied housing units in each of the census tract income categories.

<b>Distribution of Home Mortgage Loans by Income Category of the Census Tract</b>								
<b>Census Tracts</b>	<b>% Total Owner-Occupied Housing Units</b>	<b>2004 Aggregate Lending Data (% of #)</b>	<b>2004 Bank Data</b>		<b>2005 Bank Data</b>		<b>Total</b>	
			<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
<b>Low</b>	.4	.4	0	0	0	0	0	0
<b>Moderate</b>	2.6	3	0	0	0	0	0	0
<b>Middle</b>	71	71.9	19	76	10	71.4	29	74.4
<b>Upper</b>	26	24.7	6	24	4	28.6	10	25.6
<b>Total</b>	100	100.0	25	100.0	14	100.0	39	100.0

Source: U.S. Census, HMDA LAR, HMDA Aggregate Data

## **PERFORMANCE CONTEXT (CONTINUED)**

Holbrook Co-operative Bank did not make any loans in low or moderate-income tracts. As the demographic data indicates, the majority of the owner-occupied units are located within the middle-income census tracts. Holbrook Co-operative Bank's percentage of lending within these tracts exceeded the aggregate in 2004 at 76 percent and was consistent with the level of owner-occupied housing in 2005 at 71.4 percent.

Given the demographics of Holbrook Co-operative Bank's low and moderate-income census tracts within its assessment area, the lack of opportunity to lend within these tracts, the institution's relatively small loan volume and competition within the area, the Bank's performance is considered reasonable.

### **Small Business Lending**

The sample of Holbrook Co-operative Bank's small business loans was analyzed to determine the distribution by census tract income level within its assessment area. The following tables depict this distribution.

<b>Distribution of Small Business Loans by Income Category of the Census Tract</b>						
<b>Census Tract Income Level</b>	<b>2004</b>		<b>2005</b>		<b>Total</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Middle	9	64.3	14	77.8	23	71.9
Upper	5	35.7	4	22.2	9	28.1
Total	14	100.0%	18	100.0%	32	100.0%

Source: Internal Small Business Loan Application Register

As shown above, the majority of small business loans were made in middle-income census tracts which, is proportionate to the make-up of the assessment area.

## **5. REVIEW OF COMPLAINTS/FAIR LENDING POLICIES AND PRACTICES**

Holbrook Co-operative Bank received no CRA related complaints in the period under review. The Bank has a satisfactory record of implementing fair lending policies and practices. The following discussion is based on the guidelines of the Division of Banks' Regulatory Bulletin 2.3-101.

As of January 1, 2006, Holbrook Co-operative Bank had 17 full-time and 4 part-time employees. There are no bilingual employees.

The Bank does not offer fixed rate mortgage products. Its longer term products are offered as adjustable rate mortgages (ARMs). Private Mortgage Insurance is required when the loan to value exceeds 80 percent. However, the Bank does not customarily make loans where the loan to value exceeds 80 percent.

Holbrook Co-operative Bank has recently implemented a secondary loan review procedure. If a loan is being denied by a loan officer, an additional lending officer reviews the file. In addition, the Bank maintains an exceptions log of loans made outside their policy guidelines.

## **PERFORMANCE CONTEXT (CONTINUED)**

The Bank created a training program with an outside compliance consultant during the examination period. Upcoming training will include a session on the Equal Credit Opportunity Act and the Fair Housing Act.

A Fair Lending review was conducted at this examination. This review was conducted in accordance with the Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. Based on the sample reviewed, no evidence of disparate treatment of applicants was noted.

### **Minority Application Flow**

For the period reviewed, Holbrook Co-operative Bank did not receive any HMDA reportable mortgage applications from minorities within its assessment area. Included in the table are the minority demographics of Holbrook Co-operative Bank's assessment area, based upon 2000 census data as well as the 2004 aggregate data (exclusive of Holbrook Co-operative Bank). Refer to the following.

<b>MINORITY APPLICATION FLOW</b>								
<b>RACE</b>	Bank 2004		2004 Aggregate Data		Bank 2005		Bank TOTAL	
	#	%	#	%	#	%	#	%
American Indian/ Alaska Native	-	-	149	0.3	-	-	-	-
Asian	-	-	2,072	5.2	-	-	-	-
Black/ African American	-	-	2,243	5.6	-	-	-	-
Hawaiian/Pac Isl.	-	-	78	.2	-	-	-	-
2 or more Minority	-	-	22	.1	-	-	-	-
Joint Race (White/Minority)	-	-	294	.7	-	-	-	-
<b>Total Minority</b>	<b>0</b>	<b>0.0</b>	<b>4,858</b>	<b>12.1</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>
White	23	79.3	24,757	61.9	12	70.6	35	76.1
Race Not Available	6	20.7	10,378	26	5	29.4	11	23.9
<b>Total</b>	<b>29</b>	<b>100.0</b>	<b>39,993</b>	<b>100.0</b>	<b>17</b>	<b>100.0</b>	<b>46</b>	<b>100.0</b>
<b>ETHNICITY</b>								
Hispanic or Latino	-	-	882	2.2	-	-	-	-
Not Hispanic or Latino	20	69.0	25,568	63.9	12	70.6	32	69.6
Joint (Hisp/Lat /Not Hisp/Lat)	-	-	205	.5	-	-	-	-
Ethnicity Not Available	9	31.0	13,338	33.4	5	29.4	14	30.4
<b>Total</b>	<b>29</b>	<b>100.0</b>	<b>39,993</b>	<b>100.0</b>	<b>17</b>	<b>100.0</b>	<b>46</b>	<b>100.0</b>

Source: US Census, HMDA LAR, HMDA Aggregate Data

The Bank's minority application flow for this period was compared with the 2004 aggregate data for all other HMDA reporters within the assessment area. The comparison of these data assists in deriving reasonable expectations for the rate of applications the Bank received from minority credit applicants. Within the Bank's assessment area, minorities comprise 13.7 percent of the population. The aggregate had 12.1 percent of its applications from racial minority applicants and 2.2 percent from ethnic minority applicants.

# PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (95 North Franklin Street, Holbrook, 02343)."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that assessment area shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.